

SHANNON M. HEIM  
(612) 340-8899  
FAX (612) 340-8800  
heim.shannon@dorsey.com

October 12, 2011

**Ex Parte Communication**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

Re: *Developing a Unified Inter-carrier Compensation Regime*, CC Docket No. 01-92;  
*High-Cost Universal Service Support*, WC Docket No. 05-337; *Establishing Just  
and Reasonable Rates for Local Exchange Carriers*, WC Docket No. 07-135;  
*Connect America Fund*, WC Docket No. 10-90; *A National Broadband Plan for Our  
Future*, GN Docket No. 09-51; *Federal-State Joint Board on Universal Service*, CC  
Docket No. 96-45; *Lifeline and Link-Up*, WC Docket No. 03-109

Dear Ms. Dortch:

The Alaska Rural Coalition<sup>1</sup> ("ARC") hereby provides further comments supporting the need for an Alaska-specific plan that meet the needs of vulnerable rural telecommunications customers. The ARC also offers comments regarding the newly named Alaska Tribal Connect America Plan ("ATCAF") and corresponding proposed rules filed by General Communication, Inc. ("GCI") on October 6, 2011.<sup>2</sup>

The ARC continues to believe that it is essential that the Commission recognize the unique circumstances that affect the ability of the rural incumbent local exchange carriers ("ILECs"), all of whom are carriers of last resort ("COLR") in Alaska, to provide customers access to affordable voice and broadband services. Reform measures adopted by the Commission must ensure that any changes in universal service and access charge policies for

<sup>1</sup> The ARC is composed of Adak Eagle Enterprises LLC, Arctic Slope Telephone Association Cooperative, Inc., Bettles Telephone, Inc., Bristol Bay Telephone Cooperative, Inc., Bush-Tell, Inc., Circle Telephone & Electric, LLC, Cordova Telephone Cooperative, Inc., Copper Valley Telephone Cooperative, Inc., City of Ketchikan, Ketchikan Public Utilities, Matanuska Telephone Association, Inc., OTZ Telephone Cooperative, Inc., Interior Telephone Company, Mukluk Telephone Company, Inc., Alaska Telephone Company, North Country Telephone Inc., Nushagak Electric and Telephone Company, Inc., The Summit Telephone and Telegraph Company, Inc., and Yukon Telephone Company, Inc.

<sup>2</sup> See Ex Parte Comments of General Communications, Inc., WC Docket No. 10-90 et al. (filed Oct. 6, 2011). GCI noted a name change from the American Broadband Plan to the Alaska Tribal Connect America Fund ("ATCAF").

Marlene H. Dortch  
October 12, 2011  
Page 2

Alaska provide assurance for the support of rural infrastructure for the continued provision of critical services in the remote locations of Alaska. The ARC continues to believe that high cost support should reflect the actual cost of providing service. We also support curbing identical support as an effective mechanism to curb the growth of overall support.

GCI's recent Ex Parte suggests that all Alaska telecommunications companies agree on one solution for Alaska,<sup>3</sup> but the ARC strongly urges the Commission to review its Comments and Reply Comments for the significant distinctions between GCI's Plan and critical modifications urged by Alaska Communications Systems Group, Inc. and the ARC.<sup>4</sup> Without those modifications, the ATCAF lacks the important safeguards necessary to protect Alaska telecommunications consumers.

GCI's proposed rules reflect its ATCAF, but fail to incorporate the important cap on ILEC cost support urged by Alaska Communications Systems Group, Inc. and the ARC. To the extent the Commission decides to utilize the rules proposed by GCI, the ARC respectfully provides a redline for use by the Commission to incorporate the solution suggested by the ARC. Rural ILECs serve as COLRs in high cost areas and to ensure that important service continues, the amount of support any ILEC may lose must be capped. In addition, it is necessary to limit the exposure of very small companies serving extremely rural Alaska. The ARC's Reply Comments discuss this concept in depth<sup>5</sup> and the redlined rules reflect the proportionate loss of revenue for those companies.<sup>6</sup>

GCI's Plan and proposed rules establish broadband benchmarks only it could meet and removes incentives to provide broadband in areas that lack service. Furthermore, GCI's ATCAF does not encourage the provision of middle mile capacity to other carriers nor does it consider the pricing of that middle mile capacity. The ARC's edits to the proposed rules eliminate the provisions that allow aggregation of study areas or common ownership to meet broadband benchmarks and requires that middle mile capacity be provided on a common carrier basis to foster competition for broadband services. The ATCAF provisions as articulated by GCI only benefit GCI and do not reflect reality for the vast majority of Alaska companies.<sup>7</sup>

---

<sup>3</sup> See *id.* at 1-2 and footnote 4.

<sup>4</sup> See Comments of the Alaska Rural Coalition, WC Docket No. 10-90 et al. (filed Aug. 24, 2011) and Reply Comments of the Alaska Rural Coalition, WC Docket No. 10-90 et al. (filed Sept. 6, 2011).

<sup>5</sup> See Reply Comments of the Alaska Rural Coalition, WC Docket No. 10-90 et al. at 7-10.

<sup>6</sup> See redlined proposed rules, attached.

<sup>7</sup> GCI owns one ILEC company in Alaska, United Utilities, Inc. The proposed rule allowing aggregation of common ownership to meet benchmarks would allow GCI to completely escape the burdens facing every other ILEC to meet the standards.

Marlene H. Dortch  
October 12, 2011  
Page 3

We appreciate the opportunity to provide you a full picture of the Alaska landscape. We believe that the goals of the Commission's USF reform must be balanced with the unique needs of underserved Alaskans.

Sincerely,

A handwritten signature in black ink, appearing to read "Shannon M. Heim". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Shannon M. Heim  
For the Alaska Rural Coalition